

Government entity for Christchurch needs strong collaboration, project management and procurement capability

**Media Statement
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The New Zealand Council for Infrastructure Development (NZCID), The Centre for Advanced Engineering (CAENZ) and the Royal Institution of Chartered Surveyors (RICS) have written to the New Zealand government proposing the establishment of a Christchurch Reconstruction and Recovery Agency.

Under the proposal, the agency would be responsible and accountable to the Earthquake Minister acting on behalf of government for the co-ordination and management of the reconstruction of Greater Christchurch.

It would work with local councils to ensure best use of the resources available and be supported by new legislation. Its overriding objective would be to create optimal outcomes for the City, the region and New Zealand.

RICS New Zealand Chair, Mr Alan McMahon said:

"The three organisations have considered the responses of a number of cities and nations that have recently suffered major natural disasters, and those with dedicated agencies with strong delivery capability and a collaborative ethos clearly achieve better outcomes,"

NZCID CEO Stephen Selwood said:

"An agency approach would retain emphasis on action and could be discontinued after major reconstruction is complete. A dedicated agency would balance the expectations and ambitions of various levels of Government and would act as a conduit for investment, giving business, donors and wider financial contributors assurance that resources are being allocated efficiently.

"Our collective view is that a governance body should comprise individuals with proven expertise in urban planning, architecture, project management, communications, procurement, logistics, and construction. They should be appointed jointly by the Government and the City Council. The Agency will be required to work with the City Council in the determination of the redevelopment plan for the City.

CAENZ Chief Executive Steve Clarke added:

"A key issue consistently reported by businesses, residents and reconstruction firms following the first earthquake in September was the slow speed of key decisions and approvals after the initial emergency response. Councils, insurers and EQC were swamped by the scale of decision-making necessary. The emphasis was placed on rebuild, without first principal consideration of whether it was the best decision to rebuild. Based on the experience of the first quake, there is a need to establish and maintain consistent protocols across the city for quality of design and construction,

long term/future proof considerations, overall community benefit from infrastructure and urban redevelopment."

The Agency would recommend risk mitigation measures and contract private sector reconstruction on the basis of capability and capacity. The agency would be responsible to pre-qualify private sector suppliers and contract them on standard terms. This could include a mix of open-book, alliance and standard contract forms depending on the nature of the work required. The New Zealand Transport Agency (NZTA) already has processes in place for advanced contracting methods which could potentially be transferred across the reconstruction effort. Procurement methods which offer the best outcomes in terms of timeliness, certainty, efficiency in resource allocation and transparency must be considered accordingly.

The group's view is that the Authority will need to have land acquisition powers to be exercised on a very limited basis where public health and safety is at stake or when the need to acquire land in the public good is jointly approved by government and the relevant local authority.

The Agency's emphasis throughout the reconstruction of Christchurch should remain focused on value for money. Understanding commercial reality and the ability to work closely with private insurance companies will be key roles.

In a joint statement, the three organisations close: "The Christchurch earthquake represents an incomparable natural disaster in New Zealand's history. The rebuild is of the highest national importance, both in returning life to normal in the country's second largest city and in efficiently allocating scarce national resources. We need to draw on the relative strengths and capabilities of both central and local government and the private sector. We jointly recommend that this be seriously evaluated by government as it contemplates how best to respond to the challenge."

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